

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL MEMORANDUM**

HB 3287 – SB 3150

March 30, 2012

SUMMARY OF AMENDMENT (014826): Deletes all language after the enacting clause. Increases the penalty, from a Class E felony to a Class D felony, for a person who transfers land by execution of a general warranty deed with knowledge of outstanding liens, mortgages, deeds of trust, or other claims against such transferred land with the intent to defraud. Increases the penalty, from a Class A misdemeanor to a Class E felony, for a person who transfers or applies for recordation of any transfer of land by execution of either a general warranty deed or quitclaim deed, or any other devise, with knowledge that the transferor or grantor has no legal or equitable interest to convey such land.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

On March 28, 2012, a fiscal memorandum was issued estimating a fiscal impact as follows:

*Increase State Expenditures - \$14,100/Incarceration**

Due to a miscalculation, this impact was in error. Based on additional review, the estimated impact is:

(CORRECTED)

Increase State Expenditures - \$8,300/Incarceration*

Assumptions applied to amendment:

- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2012 is \$61.36. The average post-conviction time served for a Class E felony is 1.28 years (467.52 days) at a cost of \$28,687.03 (\$61.36 x 467.52 days), and 1.86 years (679.37 days) at a cost of \$41,686.14 (\$61.36 x 679.37 days) for a Class D felony.

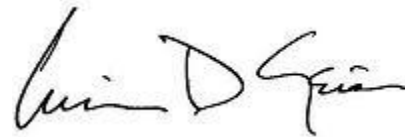
HB 3287 – SB 3150 (CORRECTED)

- The Department assumes one person will receive a Class E felony rather than a Class A misdemeanor every five years and one person will receive a Class D felony rather than a Class E felony every five years and will serve an additional 0.58 years (1.86 years for a Class D - 1.28 years for a Class E). The cost for increasing the average length of sentence by 0.58 years (211.85 days) is \$12,999.12 (211.85 days x \$61.36). The annualized cost is \$8,337.23 [0.20 annual number of convictions x (\$28,687.03 + \$12,999.12)].
- There will not be a sufficient decrease in the number of misdemeanor prosecutions for state or local government to experience any significant decrease in revenue or expenditures.
- A small increase in cases in the court system will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/lsc